DALLAS, Dec. 4, 2023

AT&T to Accelerate Open and Interoperable Radio Access Networks (RAN) in the United States through new collaboration with Ericsson

December 4, 2023, DALLAS, TX -- AT&T* today announced plans to lead the United States in commercial scale open radio access network (Open RAN) deployment. This industry-leading move, in collaboration with Ericsson, will further the telecommunications industry efforts and help build a more robust ecosystem of network infrastructure providers and suppliers. AT&T's spend could approach roughly $14 billion over the 5-year term of the contract with Ericsson.

AT&T's Open RAN plan is for 70% of its wireless network traffic to flow across open-capable platforms by late 2026. The company expects to have fully integrated Open RAN sites operating in coordination with Ericsson and Fujitsu, starting in 2024. This move away from closed proprietary interfaces will enable rapid scaling and management of mixed supplier hardware at each cell site. Beginning in 2025, the company will scale this Open RAN environment throughout its wireless network in coordination with multiple suppliers such as Corning Incorporated, Dell Technologies, Ericsson, Fujitsu, and Intel.

AT&T's and Ericsson's multiyear joint commitment to Open RAN deployment comes at a pivotal moment in the 5G innovation cycle. This move to an open, agile, programmable wireless network positions AT&T to quickly capitalize on the next generation of wireless technology and spectrum when it becomes available. These innovative technologies will enable lower-power, sustainable networks with higher performance to deliver enhanced user experiences. Ericsson's open architecture will provide a foundation and springboard for developers driving innovation through open and programmable networks and bringing new suppliers into the industry. This will foster modernization and competition in the U.S. wireless equipment market.

The company expects that increased competition in the U.S. RAN market will yield more innovation and greater efficiencies. Committing to Open RAN with its suppliers deploying open hardware, migrating to cloud RAN, and introducing 3rd party radios leads to more flexibility in choosing equipment, lower network costs

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and improved operational efficiencies. This cutting-edge open management approach to building the network will enable the company to continue to invest in its fast-growing broadband network.

“AT&T is taking the lead in open platform sourcing in our wireless network,” said Chris Sambar, Executive Vice President, AT&T Network. “With this collaboration, we will open up radio access networks, drive innovation, spur competition and connect more Americans with 5G and fiber. We are pleased that Ericsson shares our support for Open RAN and the possibilities this creates for American digital infrastructure.”

“High-performance and differentiated networks will be the foundation for the next step in digitalization. I am excited about this future and happy to see our long-term partner, AT&T, choosing Ericsson for this strategic industry shift – moving to open, cloud-based and programmable networks. Through this shift, and with open interfaces and open APIs, the industry will see new performance-based business models, creating new ways for operators to monetize the network. We are truly proud to be partnering with AT&T in the industrialization of Open RAN and help accelerate digital transformation in the U.S.,” said Börje Ekholm, President and CEO, Ericsson.

Ericsson will leverage its USA 5G Smart Factory in Lewisville, Texas in the manufacture of 5G equipment for this contract. Opened in 2020, the factory is highly automated and efficient, and is fully powered by renewable electricity. The Smart Factory recently completed an expansion, bringing its production floor to more than 107,000 square feet. The state-of-the-art 5G smart factory produces next generation 5G and Advanced Antenna System radios for Ericsson’s U.S. customers. Ericsson also recently became the first mobile infrastructure provider to achieve compliance with the infrastructure law’s Build America, Buy America provisions. The factory’s products are labeled Made in America as Ericsson’s facility complies with the Build America, Buy America infrastructure laws Act.

AT&T is one of the largest infrastructure investors in the United States across both wireless and broadband fiber. The commitment to Open RAN is a key part of AT&T’s strategy to provide the seamless connectivity America needs. With owner’s economics in both wireless and fiber, AT&T aims to become the largest, fastest growing converged fiber company with a modern, competitive wireless network.

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AT&T will use this new collaboration with Ericsson to enhance its wireless network in North America and expand the most reliable 5G network.[1] The expected spend under the Ericsson contract is below what the company expects to spend for wireless capital expenditure over the next 5 years. Given the interdependence between fiber and wireless, and the increasing desire for customers to have one connectivity provider across fixed broadband and wireless, the company sees economically attractive opportunities to expand its fiber footprint in the coming years as well.

This is a joint press release with Ericsson.

[1] Based on nationwide GWS drive test data. GWS conducts paid drive tests for AT&T and uses the data in its analysis. AT&T 5G requires compatible plan and device. 5G not available everywhere. Go to att.com/5Gforyou for details.

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***About AT&T**

We help more than 100 million U.S. families, friends and neighbors, plus nearly 2.5 million businesses, connect to greater possibility. From the first phone call 140+ years ago to our 5G wireless and multi-gig internet offerings today, we @ATT innovate to improve lives. For more information about AT&T Inc. (NYSE:T), please visit us at about.att.com. Investors can learn more at investors.att.com.

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About Ericsson:
Ericsson enables communications service providers and enterprises to capture the full value of connectivity. The company's portfolio spans the following business areas: Networks, Cloud Software and Services, Enterprise Wireless Solutions, Global Communications Platform, and Technologies and New Businesses. It is designed to help our customers go digital, increase efficiency and find new revenue streams. Ericsson's innovation investments have delivered the benefits of mobility and mobile broadband to billions of people globally. Ericsson stock is listed on Nasdaq Stockholm and on Nasdaq New York. www.ericsson.com

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